

**REMARKS**

The Office Action dated May 19, 2005 has been carefully reviewed and the foregoing remarks are made in response thereto. In view of the following remarks and amendment, Applicants respectfully request reconsideration and reexamination of this application and the timely allowance of the pending claims.

Claims 5, 17, 18, 26, and 32 have been cancelled. Claims 1-3, 15, 16, 25, 27 and 29 have been amended. No prohibited new matter has been added. Support for this amendment can be found throughout the specification.

**I. Summary of the Office Action.**

1. Upon entry of the foregoing amendment, claims 1-4, 6-16, 19-25, 27-31 and 33-41 are will be pending.

2. The Examiner objects to claims 18 and 26-33 as allegedly depending from a rejected base claim. Claims 18 and 26-33 have been found to be free of the prior art of record.

3. The Examiner has rejected claims 1-17, 22-24 and 34-41 under 35 U.S.C. § 102(b) as purportedly anticipated by Versluis *et al.*

4. The Examiner has rejected claim 25 under 35 U.S.C. § 103(a) as purportedly obvious over Versluis *et al.*

5. Claims 19-21 are allowed.

**II. Response to the Office Action.**

**1. Objection to the Claims.**

The Examiner has objected to claims 18 and 26-33 as allegedly depending from a rejected base claim. Claims 1, 16 and 25 have been amended to recite a therapeutic agent, including adriamycin and tetracycline, linked to cholesterol by an ester bond. Accordingly, Applicant believes that claims 1, 16 and 25 are now in condition for allowance and respectfully request withdrawal of this objection.

**2. Claim rejections: Versluis *et al.***

The Examiner has rejected claims 1-17, 22-24 and 34-41 under 35 U.S.C. § 102(b) as purportedly anticipated by Versluis *et al.* Applicants respectfully traverse this rejection.

Versluis *et al.* specifically disclose a liposome for the delivery of a conjugated lipophilic daunorubicin prodrug. Versluis *et al.* specifically describe the design and selection of a liposome to overcome problems associated with low-density lipoproteins (LDL). The daunorubicin-cholesterol conjugate is formed through a tetrapeptide spacer that is linked to daunorubicin by an ether bond. Versluis *et al.* does not disclose or suggest a cholesterol-daunorubicin conjugate (or any other cholesterol-therapeutic agent conjugate) that wherein the linkage is through an ester bond. Thus, Versluis *et al.* does not anticipate the amended claims. Applicants respectfully request withdrawal of this rejection.

The Examiner has rejected claim 25 under 35 U.S.C. § 103(a) as purportedly obvious over Versluis *et al.* Applicants respectfully traverse this rejection, because Versluis *et al.* does not anticipate the amended claims, as described above. Applicants respectfully request withdrawal of this rejection.

**III. Conclusion.**

Applicants believe that the above-referenced application is in condition for allowance. Reconsideration and withdrawal of the outstanding rejections and early notice of allowance to that effect is respectfully requested.

**EXCEPT** for issue fees payable under 37 C.F.R. § 1.18, the Director is hereby authorized by this paper to charge any additional fees during the entire pendency of this application, including fees due under 37 C.F.R. §§ 1.16 and 1.17 which may be required, including any required extension of time fees, or credit any overpayment to Deposit Account No. 13-3250, reference No. 02012.4121. This paragraph is intended to be a **CONSTRUCTIVE PETITION FOR EXTENSION OF TIME** in accordance with 37 C.F.R. § 1.136(a)(3).

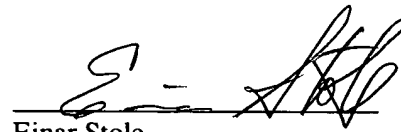
If the Examiner finds that a telephone conference would further prosecution of this application, the Examiner is invited to contact the undersigned at 202-835-7553.

Respectfully submitted,

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By:



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